This document contains information effecting the maticus of the spiceage act, 50, U.S. U.S. 1 and as smended, Its transmission or the revelation Tiller 2 as amended, to the manner to RESTRICTED an unauthorised person is 25X1A prohibited by law. INTELLIGENCE GROUP INTELLIGENCE REPORT COUNTRY China DATE: Economic Information: Impending Food Crisis, Al March 1947 DIST. Tringtao **PAGES** SUPPLEMENT ORIGIN TIBRARY COPY 25X1X

- 1. Overshedowing other problems now confronting Tsingtao's municipal authorities is that of providing food for an estimated 60,000 to 80,000 refugees from Communist-held areas. UNRRA and CHERA are unable to guarantee food shipments to Shantung after 20 February because of the uncertainty of distribution schedules resulting from UMRRA's inactivation program. On 8 February a private firm received half a month's food supply, which will be pooled with the UNRRA stocks to supply the refugees until some time in early March, when all stocks will have been exhausted.
- The problem has been heightened by the influx of additional refugees since the reopening of the Chiaochi (Tsingtao-Tsinan) Railroad in December. Contrary to the Municipal Government's hopes that the railroad would provide a means whereby the refugees could return to their homes, the reverse has occurred. The refugee population has increased by approximately 10,000, and it continues to grow with the arrival of each train.
- 3. To combat this emergency situation the Bureau of Social Affairs of the Municipal Government has taken the following steps: **22**833 This document is hereby regraded to CONFIDENTIAL in accordance with the letter of 13 October 1073 from the Director of Contral Intelligence to the Vinited States.
 - It has sent to the Central Covernment a telegram describing the situation and requesting immediate aid in the form of 30,000 tons of food, which is sufficient to meet Shantung's relief food needs for one year according to the Bureau's estimate. note: this amount would be enough for refugees in Nationalist-controlled areas of Shantung for one year.)
 - b. It has launched a survey to determine which refugees no longer require relief because of having become self-sufficient. Mayor LI estimates that ap. proximately one-third of the refugees could be eliminated from relief rolls in this manner.
 - It has recommended to the City Council the Lavying of an amusement tax to help finance the projects described in a. and b.
 - d. The Bureau has appointed a traveling purchasing group to locate, procure, and ship foodstuffs to Shantung.
 - 4. Mayor LI's outlook on the situation is pessimistic. He considers the local government incapable of forestalling the disorder and possible riots which will almost certainly accompany the food shortage. For this reason the matter has not been made public. The mayor's request for Central Government 25X1A

aid was subsequently reported in a Shanghai paper on or about 20 February.) 009 Document No. JINHIULINIIAL CLASSIFICATION RESTRICTED

CHANGE in Class. WARNING NOTICE: THIS DISTRIBUTION LISTING MUST BE

EXCISED BEFORE PUBLIC RELEASE OF THIS DOCUMENT.

S For Release 2001/03/05 : CIA-RDP82 Tot Tacted 4 1009 5

APR' 1978 Date

Review